

**IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF TEXAS
FORT WORTH DIVISION**

UMB BANK, N.A., Plaintiff, v. ALL COMMERCIAL FLOORS, INC., Defendant.	§ § § § § § § §	Civil Action No. 4:21-cv-01154-O
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**SEVENTH RECEIVERSHIP REPORT
(REPORTING PERIOD: APRIL 1, 2022 – APRIL 30, 2022)**

Jeff Merritt, the court-appointed receiver herein (the “Receiver”), submits for the consideration of the Court the following information regarding the status of the Receivership, asset collection efforts, and other ongoing activities. Unless otherwise stated herein, the information in this report is current as of April 30, 2022. The Receiver will supplement this report as required by the Court, as circumstances develop, and/or if the information herein materially changes.

BACKGROUND

1. On October 22, 2021, the Court entered the Order (Docket No. 7) (the “Order”) appointing the Receiver. The Order requires, *inter alia*, that All Commercial Floors, Inc. (the “Company”)¹ surrender to the Receiver all of the property of Company (the “Existing Property”), empowered the Receiver to control the Property and to recover any other property, interests in property, assets, and/or claims of Company (collectively and together with the Existing Property, the “Property”), and to take any other actions necessary for the Receiver to administer the Property.

2. The Order further requires a monthly Receivership Report (as defined in the Order) by the Receiver as to all of the income received and expenses paid for the previous month.

¹ Where applicable, the term “Company” for purposes of this report shall also mean and refer to the receivership estate.

3. The Receiver to date has filed the following Receivership Reports prior to the filing of this Receivership Report, all of which are available on the docket of this case.

Docket No.	Start Date	End Date
8	10/22/2021	10/31/2021
14	11/1/2021	11/30/2021
18	12/01/2021	12/31/2021
27	n/a (supplement)	n/a (supplement)
29	1/01/2022	1/31/2022
32	2/01/2022	2/28/2022
33	3/1/2022	3/31/2022

ACTIVITIES OF THE RECEIVER

4. During the Reporting Period, the Receiver adhered to the Receivership Order and commenced, and/or continued, without limitation, the following activities.

- a. Continued the review of cash flows, reviewed contracts and/or invoices.
- b. Interacted with the UMB Bank N.A. to continue management and control of remaining cash and limited cash disbursements.
- c. Paid key trade, employee, professional fees and/or other necessary costs incurred in the receivership.
- d. Interacted with the local tax authorities and resolved business personal property tax claims in connection with the recent auction of equipment.
- e. Responded to requests for information from customers and creditors as appropriate.
- f. Continued efforts at collection of past due accounts receivable, evaluated future, contingent, and/or hypothetical warranty claims.
- g. Continued efforts toward preservation of the electronic records and/or information of the Company.
- h. Engaged in discussions with Kemna Tile regarding the potential sale of a large industrial saw of the Company situated at Kemna Tile, and evaluated potential remedies of the Company in connection with such equipment.

5. In light of the substantial and overwhelming deficiency claim of the UMB Bank, the Receiver still does not foresee conducting a formal claims process and/or procedure through this action or otherwise under the receivership.

INCOME AND EXPENSES

6. The cash receipts and disbursements of the Company under the Receivership for the Reporting Period are shown in **Exhibit JM007**, attached hereto and incorporated by reference herein.

7. *Cash inflows.* During the Reporting Period, the Company under the Receivership received cash in the total amount of \$246,555, derived from primarily from auction proceeds.

8. *Cash outflows.* During the Reporting Period, the Company under the Receivership disbursed cash in the total amount of \$115,424.

- a. The largest expenditure was for the payment of property taxes associated with the recent auction of equipment, in the amount of \$67,824.62.
- b. The second largest expenditure consisted of payment of fees and expenses of the Receiver in the amount of \$40,862.30.
- c. The Company during the Reporting Period was cash flow positive in the amount of \$131,131.
- d. The net cash and/or cash on hand remaining upon the conclusion of the Reporting Period has remained in the Company under the Receivership for use by the Company, as directed by the Receiver, in furtherance of the prosecution of the Receivership. As of the date of this report, the Lender has not exercised any rights against such cash beyond the rights contained in the applicable forbearance agreement.

Dated: May 20, 2022

Respectfully submitted:

WEYCER, KAPLAN, PULASKI & ZUBER, P.C.

By: /s/ Jeff Carruth

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ATTORNEYS FOR
JEFF MERRITT, RECEIVER

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EXHIBIT JM007

Sources & Uses of Cash	
April 2022	
Sources of Cash	
Deposits	66,625.23
Auction proceeds	176,853.69
Insurance refund	864.00
Parasell sublease	2,212.50
Total Sources of Cash	\$ 246,555
Trash removal	-
Installers pay	-
IT	3,497.75
Rent	-
Utilities	-
Textura charge	5.23
Postage	-
Insurance	-
Bank charges	801.14
Waycer Kaplan	-
Merritt Advisors	40,862.30
Storage fees	318.00
Bus. Personal Prop. Taxes	67,824.62
Loan sweeps - net	-
Payroll	2,115.20
Total Uses of Cash	\$ 115,424
Net Cash Flow	\$ 131,131